

From the Financial Listening Posts of Europe

See Danger in Curtailment of German Money

Dangerous Crisis Predicted by End of Year Unless Some Method Is Found to Stabilize the Mark

Capital Needed for Crops

Fluctuation Curtails Credit Within and Causes Shrinkage of Imports

Special Cable to The Tribune
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BERLIN, July 23.—The demand for a curtailment of the issuance of paper money in Germany is being voiced loudly by Allied officials here. Despite the average Reichsbank issue of 12,000,000 marks weekly, Germany has been for some time suffering a money shortage. Although not to the same acute degree, Germany is approaching the position of Russia in this respect, where, despite the fantastic figures reached by the currency circulation, there is a money famine.

La Germany this situation was first noticed early this year, contrary to the condition in 1921, when the demand for money was less than the supply. At present financial and industrial enterprises which a few months ago were able to extend credits now find themselves in the throes of a money shortage. Unless a remedy is found, Germany before the end of the year will reach a crisis which will shake the economic, industrial and financial structure to its foundations.

German financiers are asking themselves how they can curtail the issuance of paper money in the face of the shortage. In their opinion curtailment can result only from a stabilization of the mark, which is impossible without a radical revision of the reparations demands. Capital is needed for harvesting the German crops, this situation being particularly acute in the south. Repairs and extensions should also be undertaken on a large scale by industrial corporations which also need to be financed. German capitalists believe they could extend new enterprises at cheap German costs and realize huge profits when the equalization of prices throughout the world became an accomplished fact. The unprecipitated decline of the mark, however, has destroyed this delusion by shooting German prices sky-high.

The effect in the foreign markets has been seen in a curtailment of exports to Germany. Inside Germany merchants and manufacturers are confronted by a lack of money, because the rise in prices swells the necessity of doubling capital. The fluctuation of the mark also causes the banks to curtail their credits.

There is no doubt that the present crisis might have been prevented or considerably modified by the government through greater control of in-

London Still Concerned by War Indemnity

American Press Comment on Reports of British Offer to France Draws Attention of Financiers

From The Tribune's European Bureau
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LONDON, July 23.—This week, as last, the financial world here has devoted its attention mainly to the reparations tangle and concomitant problems. Toward the end of the week the chief topic became the American press comment on the reports that Britain had offered to cancel part of the French indebtedness in return for a reduction in the German indemnity.

The situation, however, remains exactly as outlined in these dispatches last week—"It is inevitable that the only path even to a partial discussion in respect of the whole question of international indebtedness, and that is where the whole situation is tending."

It also was intimated in this statement that France might drop or suspend her opposition to a substantial moratorium if she thought the chances of a reduction in her external debt were favorable. On Friday Poincaré requested the French member of the Reparations Commission to ask for a six weeks' moratorium. The following week on the renewed discussion in the British, French and American press, may well be considered a measure of the degree of French confidence in the debt cancellation talk.

Each northern department of the government and representatives of the Ministry for Liberated Regions in order to facilitate direct German participation in reconstruction work. Signs of increasing business are evident in the June 30 index figures, which show the cost of living per cent over the pre-war ratio, compared with 338 per cent last January. The tendency toward lower money rates is emphasized by the success of the national loan, which was oversubscribed.

French See Success of German Plan

International Control of Finances Has Worked in Other Countries, Including Egypt, Turkey, Greece

Blame Government Policy

Belief Gaining That Reparations Should Be Settled on Commercial Basis

Special Cable to The Tribune
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PARIS, July 23.—French sentiment is optimistic, desiring a termination of the present economic uncertainty by the subjection of German finances to Allied supervision. This system of international control has been achieved successfully during the last fifty years in the case of Tunis, Egypt, Turkey and, last, Greece. It is claimed that although Germany is larger and consequently more difficult to handle in this respect, the problems involved are similar.

The moratorium of cash payments is acceptable under these conditions, but will only be for a short time while expert opinion finds the essentials for a re-establishment of the German currency on a sound basis. It is intimated that the Reichsbank's financial difficulties have been mainly due to the present Socialist government's unsound policy of running the public services with a deficit, thereby losing the confidence of their own capitalists as well as the possibility of foreign loans.

The belief is gaining ground that a solution of the reparations problem is closely connected with the recovery of normal life in Europe, and must be placed on a commercial instead of a sentimental basis as soon as possible. The ratification of the Wiesbaden agreement is expected to furnish deliveries on a rapidly increasing scale. Although many details must be worked out relative to the partial cancellation of customs duties, these matters can be adjusted later and will not postpone deliveries in kind either for the devastated regions or in the execution of the Letroquer scheme for using German labor and materials for carrying out great public works.

The stock markets have shown a cheerful tone throughout the week and investment securities especially are rising. Purchases of coal for America have continued, several steamers having been chartered for these shipments. Should the coal strike continue, British ship owners contemplate rechartering some vessels now in port, hoping also to be able to pick up autumn grain shipments on the return voyage.

There is a demand for both steam and gas coal to be delivered at New York, Philadelphia and Boston. As yet there has been no indication that British miners are objecting to mining coal for these purposes.

New Issue

12,500,000

VIRGINIA-CAROLINA CHEMICAL COMPANY

Fifteen-Year 7½% Sinking Fund Convertible Gold Bonds

SERIES "A"

Dated July 1, 1922

Interest payable January 1 and July 1

Due July 1, 1937

Redeemable on and after July 1, 1925, in whole at any time or in part on any interest date at 107½ and accrued interest until July 1, 1927, and thereafter at 107 and accrued interest until July 1, 1927, the premium thereafter decreasing ½% for each twelve months or part thereof until maturity.

Interest to be payable without deduction of Federal income taxes up to 2% per annum; Pennsylvania State four mills tax refundable.

Coupon Bonds in denominations of \$1,000, \$500 and \$100; Bonds of \$1,000 may be registered as to principal. Total authorized issue \$25,000,000.

For information regarding these Bonds, we refer to the letter dated July 21, 1922, of Mr. C. G. Wilson, President of the Company, which he has summarized briefly as follows:

COMPANY, incorporated in 1895, is one of the largest manufacturers and dealers in its lines, being engaged directly or through subsidiaries in the manufacture of fertilizers, sulphuric acid, cotton seed products and edible oil products and the mining of phosphate rock.

PURPOSE: These 12,500,000 Convertible Bonds and \$25,000,000 new First Mortgage Bonds are being issued to purchase or retire at or before maturity the existing \$25,401,000 funded obligations and to provide additional working capital.

CONSOLIDATED NET EARNINGS of the Company and subsidiaries available for interest and Federal taxes and before inventory adjustment in 1921, were as follows:

Fiscal Year Ended May 31	Number of times all charges earned	Fiscal Year Ended May 31	Number of times all interest charges earned
1907	4.26	1914	2.67
1908	3,527,425	1915	4,979,949
1909	4,508,979	1916	5,667,846
1910	5,336,668	1917	5,905,249
1911	3,488,829	1918	12,043,367
1912	3,577,452	1919	10,933,334
1913	2,991,102	1920	10,876,745

Fiscal year ended May 31, 1921—loss \$7,735,781

Fiscal year ended May 31, 1922—profit (approximately) 1,684,000

The consolidated net earnings for the sixteen years, after absorbing inventory adjustment in 1921, averaged approximately \$4,404,220 per annum, or almost 3 times the average annual interest charges on all indebtedness for the period.

Results for fiscal year ended May 31, 1922 just closed, while not sufficient to cover interest charges, indicate marked improvement as compared with preceding fiscal year.

CONSOLIDATED NET ASSETS together with net proceeds of present financing, as planned, are conservatively valued at about \$82,000,000; the consolidated net quick assets alone on this basis approximate \$32,000,000.

SINKING FUND payable semi-annually, commencing April 1, 1923, is to be sufficient to retire annually 2% of total Series "A" Bonds issued, from April 1, 1923, to October 1, 1927, inclusive and 3% per annum thereafter up to April 1, 1937. Credit is to be allowed the Sinking Fund on account of Bonds converted into Common Stock.

CONVERTIBLE: The stockholders recently authorized the exchange of the present outstanding 279,844 shares of Common Stock into 279,844 voting shares no par value Common Stock and 69,961 non-voting shares no par value Class B Common Stock.

The Bonds are to bear stock purchase warrants entitling the holder to purchase at \$35 per share up to July 1, 1924 inclusive, the said voting no par value Common Stock at the rate of 2½ shares for each \$100 principal amount of Bonds; the Bonds are to be convertible after July 1, 1924 (but only if accompanied by said purchase warrants) into said voting Common Stock at \$35 per share.

RESTRICTIONS: No mortgage to be created by the Company without including these Bonds equally and ratably therewith, but this shall not apply to purchase money mortgages, or the new first mortgage, or renewals or refundings thereof or pledges of current assets in usual course of business for loans running for not more than one year.

It is expected that application will be made to list these Bonds on the New York Stock Exchange.

The legal proceedings are being passed upon by Messrs. Hornblower, Miller & Garrison and Messrs. Oudin, Kilbreth & Schackno, New York. The Company's accounts are audited annually by Messrs. Price, Waterhouse & Co. All offerings are made when, and if issued and received by us and subject to approval of counsel. Interim receipts or temporary bonds will be deliverable in the first instance.

Subscriptions for the above bonds are being received subject to allotment, by the undersigned at

98 and interest, to yield about 7.73%

BLAIR & CO., INC. HALLGARTEN & CO.
THE EQUITABLE TRUST COMPANY
OF NEW YORK

The statements presented above, while not guaranteed, are obtained from sources which we believe to be reliable.

Sale.	Week's—1922—	High.	Low.
1. Prods. & Refiners	100.00	100.00	100.00
2. Union Pacific	100.00	100.00	100.00
3. Pub. Serv. of N. Y.	100.00	100.00	100.00
4. N. Y. City	100.00	100.00	100.00
5. N. Y. State	100.00	100.00	100.00
6. N. Y. Tel. & Tel. Co.	100.00	100.00	100.00
7. N. Y. Edison	100.00	100.00	100.00
8. N. Y. Gas	100.00	100.00	100.00
9. N. Y. Water	100.00	100.00	100.00
10. N. Y. Fire	100.00	100.00	100.00
11. N. Y. Milk	100.00	100.00	100.00
12. N. Y. Ice	100.00	100.00	100.00
13. N. Y. Sugar	100.00	100.00	100.00
14. N. Y. Coffee	100.00	100.00	100.00
15. N. Y. Tea	100.00	100.00	100.00
16. N. Y. Spices	100.00	100.00	100.00
17. N. Y. Fruits	100.00	100.00	100.00
18. N. Y. Vegetables	100.00	100.00	100.00
19. N. Y. Grains	100.00	100.00	100.00
20. N. Y. Oils	100.00	100.00	100.00
21. N. Y. Minerals	100.00	100.00	100.00
22. N. Y. Metals	100.00	100.00	100.00
23. N. Y. Textiles	100.00	100.00	100.00
24. N. Y. Paper	100.00	100.00	100.00
25. N. Y. Printing	100.00	100.00	100.00
26. N. Y. Publishing	100.00	100.00	100.00
27. N. Y. Advertising	100.00	100.00	100.00
28. N. Y. Real Estate	100.00	100.00	100.00
29. N. Y. Insurance	100.00	100.00	100.00
30. N. Y. Banking	100.00	100.00	100.00
31. N. Y. Finance	100.00	100.00	100.00
32. N. Y. Commerce	100.00	100.00	100.00
33. N. Y. Industry	100.00	100.00	100.00
34. N. Y. Transportation	100.00	100.00	100.00
35. N. Y. Utilities	100.00	100.00	100.00
36. N. Y. Services	100.00	100.00	100.00
37. N. Y. Miscellaneous	100.00	100.00	100.00
38. N. Y. Government	100.00	100.00	100.00
39. N. Y. Foreign	100.00	100.00	100.00
40. N. Y. International	100.00	100.00	100.00

may be freely imported from abroad in order to charge any sugar a duty as a penalty for a rebate on the duty assessed on the sugar content of jam, etc., when the government control is ended; that Mozambique sugar no longer be allowed to be imported into the United States; that the government control prices for another year, and for the establishment of one or more experimental and research stations for the scientific study of cane cultivation and diseases, the cost of which should be shared by the industry and the government.

The commission does not recommend the continuance of a permanent system of government control of exports and imports of sugar and the fixing of prices of sugar by the government, an amendment to the dumping clause in the customs act to permit the prohibition of the importation of sugars at a price lower than the saccharine cost of production, nor special railway rates on exported sugar, according to Vice-Consul Pissar, Cape Town.

N. Y. Business Men To War on Fake Stock Promoters

Better Business Bureau Will Conduct Preventive and Constructive Campaign to Aid Investors

The business men of New York City have enlisted in the fight against scrupulous and fraudulent stock promoters and stock promoters, who yearly mulct small investors of millions of dollars.

Representatives of the city's finance and industry have joined the Better Business Bureau of New York City, Inc., which is a national organization of business men, to form a staff of aids and trained investigators to correct wrong financial operations, offenders.

David P. Houston, president of the bureau, former director of the national Vigilance Committee, is a staff of aids and trained investigators to correct wrong financial operations, offenders.

In discussing the work of Mr. Houston, the bureau said: "The Better Business Bureau will conduct investigations to correct wrong financial operations, offenders. It will attempt to prevent the public from being misled by warning the public in advance of attempted frauds. It will also attempt to bring the small investor a better understanding of the market, which legitimate investment efforts work to bring about. It will endeavor to bring the small investor a better understanding of the market, which legitimate investment efforts work to bring about. It will endeavor to bring the small investor a better understanding of the market, which legitimate investment efforts work to bring about."

Mellon to Announce New Loan Program This Week

Treasury Certificates Expected To Be Offered To Fund \$250,000,000 Due Aug. 1

WASHINGTON, July 23.—Secretary Mellon will announce early this week the government's program to take care of financial obligations due August 1. It was indicated to-night at the Treasury.

On August 1 about \$250,000,000 of Treasury certificates mature. It was indicated that new Treasury obligations would be offered to retire the maturing certificates, well as to make necessary provision for current government expenses.

At the same time the Treasury was expected to take the first step in its program for refunding about \$400,000,000 of the nation's short-dated maturing during the present fiscal year. It was understood the Treasury planned to begin as quickly as possible to spread these issues in longer maturities.

South Africa to Guard Against Sugar Monopoly

Committee Recommends Extension of Government Control Another Year

In the report of the commission appointed by the government of the Union of South Africa to investigate conditions surrounding the sugar cane industry in that country are recommendations for a central committee, or sales board, to control a probable pool of sugars, with provision that sugars



Where good banking serves good business

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Trust Department
Bond Department
Foreign Department

GARFIELD NATIONAL BANK
Fifth Ave. and 23d Street

Bond Dealings For the Week

Government and Municipal Bonds

Sale.	Week's—1922—	High.	Low.
2021 U S Liberty 3 1/2 %	105.90	106.00	94.84
2022 do 2 1/2 % Reg.	104.70	105.74	100.74
2023 do 2 1/2 % Reg.	104.70	105.74	100.74
2024 do 2 1/2 % Reg.	104.70	105.74	100.74
2025 do 2 1/2 % Reg.	104.70	105.74	100.74
2026 do 2 1/2 % Reg.	104.70	105.74	100.74
2027 do 2 1/2 % Reg.	104.70	105.74	100.74
2028 do 2 1/2 % Reg.	104.70	105.74	100.74
2029 do 2 1/2 % Reg.	104.70	105.74	100.74
2030 do 2 1/2 % Reg.	104.70	105.74	100.74
2031 do 2 1/2 % Reg.	104.70	105.74	100.74
2032 do 2 1/2 % Reg.	104.70	105.74	100.74
2033 do 2 1/2 % Reg.	104.70	105.74	100.74
2034 do 2 1/2 % Reg.	104.70	105.74	100.74
2035 do 2 1/2 % Reg.	104.70	105.74	100.74
2036 do 2 1/2 % Reg.	104.70	105.74	100.74
2037 do 2 1/2 % Reg.	104.70	105.74	100.74
2038 do 2 1/2 % Reg.	104.70	105.74	100.74
2039 do 2 1/2 % Reg.	104.70	105.74	100.74
2040 do 2 1/2 % Reg.	104.70	105.74	100.74
2041 do 2 1/2 % Reg.	104.70	105.74	100.74
2042 do 2 1/2 % Reg.	104.70	105.74	100.74
2043 do 2 1/2 % Reg.	104.70	105.74	100.74
2044 do 2 1/2 % Reg.	104.70	105.74	100.74
2045 do 2 1/2 % Reg.	104.70	105.74	100.74
2046 do 2 1/2 % Reg.	104.70	105.74	100.74
2047 do 2 1/2 % Reg.	104.70	105.74	100.74
2048 do 2 1/2 % Reg.	104.70	105.74	100.74
2049 do 2 1/2 % Reg.	104.70	105.74	100.74
2050 do 2 1/2 % Reg.	104.70	105.74	100.74
2051 do 2 1/2 % Reg.	104.70	105.74	100.74
2052 do 2 1/2 % Reg.	104.70	105.74	100.74
2053 do 2 1/2 % Reg.	104.70	105.74	100.74
2054 do 2 1/2 % Reg.	104.70	105.74	100.74
2055 do 2 1/2 % Reg.	104.70	105.74	100.74
2056 do 2 1/2 % Reg.	104.70	105.74	100.74
2057 do 2 1/2 % Reg.	104.70	105.74	100.74
2058 do 2 1/2 % Reg.	104.70	105.74	100.74
2059 do 2 1/2 % Reg.	104.70	105.74	100.74
2060 do 2 1/2 % Reg.	104.70	105.74	100.74
2061 do 2 1/2 % Reg.	104.70	105.74	100.74
2062 do 2 1/2 % Reg.	104.70	105.74	100.74
2063 do 2 1/2 % Reg.	104.70	105.74	100.74
2064 do 2 1/2 % Reg.	104.70	105.74	100.74
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2092 do 2 1/2 % Reg.	104.70	105.74	100.74
2093 do 2 1/2 % Reg.	104.70	105.74	100.74
2094 do 2 1/2 % Reg.	104.70	105.74	100.74
2095 do 2 1/2 % Reg.	104.70	105.74	100.74
2096 do 2 1/2 % Reg.	104.70	105.74	100.74
2097 do 2 1/2 % Reg.	104.70	105.74	100.74
2098 do 2 1/2 % Reg.	104.70	105.74	100.74
2099 do 2 1/2 % Reg.	104.70	105.74	100.74
2100 do 2 1/2 % Reg.	104.70	105.74	100.74